

§ 363.144

after the certificate of indebtedness has been redeemed, we reserve the right to reverse previously processed security transactions, including securities that were purchased as gifts and securities that have been transferred or delivered from your account to the account of another TreasuryDirect® account owner.

§ 363.144 May I delete a pending transaction involving a certificate of indebtedness?

(a) You may delete a pending purchase of a certificate of indebtedness initiated from your TreasuryDirect® account.

(b) You may delete a pending purchase of a security using a certificate of indebtedness as payment.

(c) You may not delete a pending redemption of all or part of the value of a certificate of indebtedness.

§ 363.145 May I transfer or deliver my certificate of indebtedness?

A certificate of indebtedness is non-transferable. You may not deliver a certificate of indebtedness to another TreasuryDirect® account as a gift.

§ 363.146 May a certificate of indebtedness be pledged or used as collateral?

A certificate of indebtedness may not be pledged or used as collateral for the performance of an obligation.

[69 FR 50309, Aug. 16, 2004. Redesignated at 70 FR 57437, Sept. 30, 2005]

§§ 363.147–363.152 [Reserved]

Subpart E—Conversion of a Definitive Savings Bond

SOURCE: 70 FR 14943, Mar. 23, 2005, unless otherwise noted.

§ 363.160 What subparts govern the conversion of definitive savings bonds?

(a) This subpart governs:

(1) The process of converting definitive savings bonds of all eligible series and types of registration to book-entry bonds in TreasuryDirect®;

(2) Converted savings bonds of all series registered in the coowner form of registration, unless the non-converting

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coowner consents to a change in the registration of the bonds after conversion;

(3) Converted savings bonds of Series E registered in the owner with beneficiary form of registration, unless the beneficiary consents to a change in the registration of the bonds after conversion; and

(4) Converted savings bonds of all series that are held as gift bonds by the person who converted the bonds.

(b) Subpart C governs:

(1) Converted savings bonds of any series registered in the single owner or entity form of registration;

(2) Converted Series EE and Series I savings bonds registered in the owner with beneficiary form of registration;

(3) Converted Series E savings bonds registered in the owner with beneficiary form of registration, where the beneficiary has consented to a change in the registration of the bonds after conversion; and

(4) Converted savings bonds of all series registered in the coowner form of registration, where the non-converting coowner has consented to a change in the registration of the bonds after conversion.

[70 FR 14943, Mar. 23, 2005, as amended at 70 FR 57347, Sept. 30, 2005; 74 FR 19420, Apr. 29, 2009]

§ 363.161 What definitive savings bonds are eligible to be converted to book-entry bonds?

Series E, Series EE, and Series I savings bonds issued in denominations of \$25 or greater are eligible for conversion to book-entry bonds in TreasuryDirect®.

[74 FR 19420, Apr. 29, 2009]

§ 363.162 Who may convert a definitive savings bond?

The owner of a TreasuryDirect® primary account may convert a definitive savings bond.

(a) *Bond that is registered to the account owner.* The following persons may convert a definitive savings bond of an eligible series to a book-entry bond to be held in the person's TreasuryDirect account:

(1) The owner of a definitive savings bond registered in the single owner or entity form of registration;

(2) Either co-owner of a bond registered in the coowner form of registration; and

(3) The owner of a bond registered in the owner with beneficiary form of registration.

(b) *Bond that is registered to someone other than the account owner.* We will convert an eligible definitive savings bond submitted by an individual account owner who is not the registered owner of the savings bond. See the special rules in § 363.166.

[74 FR 19420, Apr. 29, 2009]

§ 363.163 How do I convert an eligible definitive savings bond?

We will provide online instructions for converting your definitive savings bond. You must surrender to us the definitive bond to be converted at the time of conversion.

§ 363.164 Is a converted savings bond eligible to be converted back into a definitive bond?

Once a definitive savings bond has been converted to a book-entry bond, it may not be converted back into a definitive bond.

§ 363.165 What happens when I convert a savings bond that is registered in my name as a single owner, either coowner, an owner with a beneficiary, or an entity?

(a) *Unmatured savings bond.* When the conversion is approved, an unmaturing savings bond that is registered in the name of the TreasuryDirect® account owner as a single owner, either coowner, an owner with beneficiary, or an entity, will be released to the account owner's conversion linked account.

(b) *Matured savings bond.* A savings bond that has reached final maturity and is registered in the name of the TreasuryDirect account owner as a single owner, either coowner, an owner with beneficiary, or an entity, will be converted to a book-entry savings bond and automatically redeemed. The redemption proceeds will be used to purchase a certificate of indebtedness in the account owner's name in the primary account.

[74 FR 19420, Apr. 29, 2009]

§ 363.166 What happens when I convert a savings bond that is not registered in my name as owner, either coowner, or owner with beneficiary (including a bond registered in the name of a minor)?

We will presume that a savings bond registered in the name of someone other than the TreasuryDirect® account owner (including a bond registered in the name of a minor) was purchased by the account owner as a gift for the registered owner. We will not permit an entity to convert a savings bond that is not registered in the name of the entity.

(a) *Unmatured savings bond*—(1) *General.* An unmaturing savings bond registered in the name of someone other than the account owner will be converted to a book-entry bond, released as a gift bond to the account owner's conversion linked account, and held until delivered to the TreasuryDirect account (or minor linked account, if the registered owner is a minor) of the registered owner.

(2) *Delivery of unmaturing gift bond to registered owner.* The TreasuryDirect account owner may deliver the converted gift bond to the TreasuryDirect account (or minor linked account, if the registered owner is a minor) of the registered owner, or, if the bond is registered in the coowner form of registration, to the account of either coowner. A bond registered in coowner or owner with beneficiary form of registration will retain the coowner or beneficiary form of registration upon delivery.

(b) *Savings bond that has reached final maturity*—(1) *General.* A savings bond that has reached final maturity and is registered in the name of someone other than the account owner will be converted to a book-entry bond, released as a gift bond into the account owner's conversion linked account, and automatically redeemed. We will hold the redemption proceeds in the name of the registered owner of the definitive bond until the proceeds are delivered to the TreasuryDirect account (or minor linked account, if the registered owner is a minor) of the registered owner.

(2) *Delivery of bond proceeds to registered owner.* If the gift bond has reached final maturity and has been automatically redeemed, then the